

## **REMARKS**

Reconsideration of this application as amended is respectfully requested.

Claims 1-10, 16-20 and 39-44 are pending. Claims 1, 6 and 16 have been amended. Support for the amendments is found in the specification, the drawings, and in the claims as originally filed. Applicant submits that the amendments do not add new matter.

### **Rejections Under 35 U.S.C. § 103(a)**

Claims 1-10 and 16-20 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,026,383 of Ausubel, (“Ausubel”), in view of U.S. Patent No. 6,415,270 of Rackson, et al., (“Rackson”), and further in view of U.S. Patent No. 6,721,715 of Nemzow, (“Nemzow”).

Claims 39-44 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Ausubel, in view of Rackson, and further in view of U.S. Patent No. 6,161,099 of Harrington, (“Harrington”).

Ausubel discloses a system for conducting an auction. The system allows the price paid by bidders to be independent of their own bids, provides participants with information concerning their competitors' bids as the auction progresses, and maintains the confidentiality of high values.

Contrary to the present invention, Ausubel does not teach or suggest transforming, using characteristics of an auction item, a price value into different comparative bid parameter values to be used for different auction views, where each auction view is presented for a distinct potential bidder and is associated with a distinct type of the auction item. The presently claimed invention, in contrast, discloses transforming, using a characteristic of an auction item of a first

type, a price value used to create a first view of a Dutch auction for the originator of the auction into a first bidder comparative bid parameter value that is used to create a second view of the auction for a first potential bidder, the second view being associated with the auction item of the first type, and then transforming, using a characteristic of the auction item of a second type, this price value into a second bidder comparative bid parameter value that is used to create a third view of the auction for the second potential bidder, the third view being associated with the auction item of the second type that is different from the first type. For example, the specification of the present application describes some embodiments of the present invention as follows:

Consider a coal auction market. All coal is not created equal. For example, coal varies in its thermal content (i.e., BTU content) as well as in its sulfur content. Buyers will be willing to pay more, all things being equal, for higher thermal content or lower sulfur content. A buyer therefore is ultimately interested in the price per unit energy (e.g., cents/Million BTU) produced when the coal is processed through their power generation unit.

Suppliers, however, typically offer coal on a price per physical measure of weight or volume (e.g., \$/ton). ... [I]n a Dutch auction for coal, prices that are originally defined in cents/Million BTU are transformed, based upon a particular supplier's coal characteristics, into \$/ton prices prior to display at a bidding supplier's computer system.

Through this transformation process, bidding suppliers are able to individually view an ongoing auction in their own context. For a bidding supplier's view, all supplies are effectively offering the same type of coal.

(Specification, page 8, line 27 through page 9, line 17).

Ausubel does not teach or suggest transforming a price value into different comparative bid parameter values based on characteristics of an auction item of different types, and using these comparative bid parameter values to create different auction views, where each auction view is presented for a distinct potential bidder and is associated with a distinct type of the auction item. The Examiner acknowledges that Ausubel lacks the above features of the present invention and cites Nemzow for such teaching, contending it would be obvious to combine Ausubel with Rackson and Nemzow to produce the present invention (Office Action of May 2,

2006, pages 3-4). Applicant respectfully disagrees.

Nemzow discloses a currency translation system that provides for the dynamic translation of currency values to aid localization and globalization of financial transactions. The conversion is performed based on the currency rate.

In the presently claimed invention, in contrast, a selected price value is transformed into different comparative bid parameters based on characteristics of an auction item. Nemzow does not teach or suggest the above feature of the present invention. Much less does Nemzow disclose using these comparative bid parameter values to create different auction views, where each auction view is presented for a distinct potential bidder and is associated with a distinct type of the auction item, as claimed in the present invention. Hence, Nemzow lacks the same features that are missing from Ausubel. These features are also missing from Rackson. Accordingly, the cited references, taken alone or in combination lack the pertinent features of the present invention that are included in the following language of claim 1:

- ...(c) for at least a first potential bidder, transforming, using a characteristic of an auction item of a first type, said selected price value into a first bidder comparative bid parameter value that is used to create a second view of the Dutch auction for said first potential bidder, wherein said second view is associated with the auction item of the first type; and
- (d) for at least a second potential bidder, transforming, using a characteristic of the auction item of a second type, said selected price value into a second bidder comparative bid parameter value that is used to create a third view of the Dutch auction for said second potential bidder, wherein said third view is associated with the auction item of the second type that is different from said first type.

Similar language is also included in independent claims 6 and 16. Thus, the present invention as claimed in claims 1, 6 and 16, and their corresponding dependent claims, is patentable over the cited references.

With respect to claim 39, Ausubel does not teach or suggest sequentially transmitting information reflective of a sequence of bid values to a set of potential bidders, the transmitting

being continued until an ending value in the sequence is reached in the absence of an acceptance of posted price by these bidders, and sequentially transmitting, to another bidder, information reflective of the sequence of bid values up until a defined value preceding the ending value is reached, in the absence of an acceptance of a posted price by the other bidder. The Examiner acknowledges that “Ausubel does not explicitly disclose a Dutch auction; and sequentially transmitting information reflective of bid sequence values that continues until a second or third bid is reached” and cites Rackson and Harrington for such teaching, contending it would be obvious to combine Ausubel with Rackson and Harrington to produce the present invention (Office Action of September 27, 2004, pages 5-6). Applicant respectfully disagrees.

Rackson discloses auctioning multiple items using a Dutch format. However, Rackson does not teach or suggest sequentially transmitting information reflective of a sequence of bid values to a set of potential bidders, the transmitting being continued until an ending value in the sequence is reached in the absence of an acceptance of posted price by these bidders, and sequentially transmitting, to another bidder, information reflective of the sequence of bid values up until a defined value preceding the ending value is reached, in the absence of an acceptance of a posted price by the other bidder, as does the presently claimed invention. Thus, Rackson lacks the same features that are missing from Ausubel.

These features are also missing from Harrington. Harrington at most discloses transmitting bid information to a bidder. However, Harrington does not teach or suggest sequentially transmitting information reflective of a sequence of bid values to a set of potential bidders, the transmitting being continued until an ending value in the sequence is reached in the absence of an acceptance of posted price by these bidders, and sequentially transmitting, to another bidder, information reflective of the sequence of bid values up until a defined value preceding the ending value is reached, in the absence of an acceptance of a

posted price by the other bidder, as does the presently claimed invention. To the extent the Examiner maintains the present rejection, Applicant respectfully requests a more detailed explanation as to how the Harrington reference teaches the above features of the present invention that are claimed in claims 39, 41 and 43.

Accordingly, the present invention as claimed in claims 39, 41 and 43, and their corresponding dependent claims, is patentable over the cited references.

Applicant respectfully requests the withdrawal of the rejection under 35 U.S.C. § 103(a) and submits that the pending claims are in condition for allowance. Applicant respectfully requests reconsideration of the application and allowance of the pending claims.

If the Examiner determines the prompt allowance of these claims could be facilitated by a telephone conference, the Examiner is invited to contact Marina Portnova at (408) 720-8300.

**Deposit Account Authorization**

It is respectfully submitted that in view of the amendments and arguments set forth herein, the applicable rejections and objections have been overcome. If there are any additional charges, please charge Deposit Account No. 02-2666 for any fee deficiency that may be due.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

Date: August 2, 2006

By: W. Portnova  
Marina Portnova  
Reg. No. 45,750

12400 Wilshire Boulevard  
Seventh Floor  
Los Angeles, California 90025  
(408) 720-8300